

**Remarks**

This Application has been carefully reviewed in light of the final Office Action mailed March 20, 2004. Claims 1-6, 8-15, and 17-29 are pending. Applicant believes all pending claims are allowable over the prior art of record without amendment. However, Applicant respectfully provides these remarks. Applicant respectfully requests reconsideration and allowance of all pending claims.

**I. Claims 7 and 16 were Canceled Rather than Withdrawn**

In Applicant's Response mailed January 31, 2003, Applicant canceled Claims 7 and 16 without prejudice or disclaimer. In Applicant's previous two Responses (mailed June 20, 2003 and January 21, 2004), Applicant inadvertently and mistakenly indicated in the claim listings of those Responses that Claims 7 and 16 were withdrawn rather than canceled. Applicant has corrected this in the current Response.

**II. The Rejections under 35 U.S.C. § 132 are Inappropriate**

The Examiner objects to the amendments presented in the Response filed January 21, 2004 under 35 U.S.C. § 132 as introducing new matter into the disclosure. Applicant respectfully submits that this objection to the disclosure is inappropriate.

M.P.E.P. § 608.04 provides:

When new matter is introduced into the specification, the amendment should be objected to under 35 U.S.C. 132 (35 U.S.C. 251 if a reissue application) and a requirement made to cancel the new matter. The subject matter which is considered to be new matter must be clearly identified by the examiner. *If the new matter has been entered into the claims or affects the scope of the claims, the claims affected should be rejected under 35 U.S.C. 112, first paragraph, because the new matter is not described in the application as originally filed.*

(emphasis added)<sup>1</sup> Furthermore, item 3 of the Examiner's Note to M.P.E.P. § 706.03(o) recites, "If new matter is added only to a claim, an objection using this paragraph [form

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<sup>1</sup> See also M.P.E.P. § 2163.06, which states "If new subject matter is added to the disclosure, whether it be in the abstract, the specification, or the drawings, the examiner should object to the introduction of new matter under 35 U.S.C. 132 or 251 as appropriate, and require applicant to cancel the new matter. *If new matter is added to the claims, the examiner should reject the claims under 35 U.S.C. 112, first paragraph - written description requirement.*" (emphasis added)

paragraph 7.28 relating to new matter objections under 35 U.S.C. § 132] should not be made, but the claim should be rejected using form paragraph 7.31.01 [relating to rejections of claims under 35 U.S.C. § 112, first paragraph].”

The only portion of the Application amended by Applicant in the previous Response was the claims. Thus, the only portion of the Application to which the Examiner could allege Applicant introduced new matter was the claims. Pursuant to the above-cited sections of the M.P.E.P., the Examiner should only reject those claims that the Examiner believes include new matter under 35 U.S.C. § 112, first paragraph, rather than make a joint objection under 35 U.S.C. § 132 and rejection under 35 U.S.C. § 112.

For at least these reasons, Applicant respectfully requests that the Examiner withdraw the objection to the disclosure under 35 U.S.C. § 132.

In any event, Applicant demonstrates below with reference to the rejection of Claims 1-6, 8-15, and 17-29 under 35 U.S.C. § 112, first paragraph, that the alleged new matter in the claims is in fact disclosed in the Specification. Additionally, the Examiner indicates that “Applicant is required to cancel the new matter in reply to this Office Action.” Applicant has not canceled any claims or deleted any claim limitations because Applicant respectfully submits that the amendments presented in the previous Response clearly do not introduce any new matter.

### **III. Applicant's Claims Comply with 35 U.S.C. § 112, First Paragraph**

The Examiner rejects Claims 1-6, 8-15, and 17-29 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. In particular, the Examiner alleges that certain limitations recited in these claims are not described in the Specification. Applicant respectfully disagrees. Applicant addresses each of the Examiner's rejections below. In addressing each of the Examiner's rejections, Applicant refers to example descriptions within the Specification; however, reference to these example descriptions should not be used to limit Applicant's claims.

To satisfy the written description requirement, a patent specification must describe the claimed invention in sufficient detail that one skilled in the art can reasonably conclude that the inventor had possession of the claimed invention. *See* M.P.E.P. § 2163.I. “The examiner has the initial burden of presenting by a preponderance of the evidence why a person skilled in the art would not recognize in an applicant’s disclosure a description of the invention defined by the claims.” M.P.E.P. § 2163.III(A). “The subject matter of the claim need not be described literally (i.e., using the same terms or *in haec verba*) in order for the disclosure to satisfy the written description requirement.” M.P.E.P. § 2163.02. “Mere rephrasing of a passage does not constitute new matter. Accordingly, a rewording of a passage where the same meaning remains intact is permissible.” M.P.E.P. § 2163.07.I. Additionally, “[t]o comply with the written description requirement of 35 U.S.C. 112, para. 1 . . . each claim limitation must be expressly, implicitly, or inherently supported in the originally filed disclosure.” M.P.E.P. § 2163.05.

**A. The Claimed Automated Functionality is Described in the Specification**

The Examiner rejects Claims 1, 11, 20, and 29 as claiming automated functionality that is not described in the Specification. Applicant respectfully disagrees and discusses Claim 1 as an example. In the previous Response, Applicant amended various portions of Claim 1 to recite automated functionality. It is not entirely clear which recitations of automated functionality in Claim 1 the Examiner considers objectionable. Applicant therefore addresses each of the recitations of automated functionality in Claim 1, citing example portions of the Specification that support such automated functionality.

In general, the various recited operations are performed by one or more computer systems (e.g., at least warranty transaction system 30 and its components), which perform certain of the operations substantially without human intervention, in other words, automatically. For example, “In the exemplary embodiment [illustrated in FIGURE 1], warranty transaction system 30 includes a user interface 32, a warranty generation engine 34, a customer information database 36, and a rules database 38, which may be integral to or separate from one another. These components of warranty transaction system 30 may operate on one or more computers 14 at one or more locations.” (Specification, Page 6, Line 27 through Page 7, Line 1). While the particular word “automatic” may not appear explicitly in

the Specification, a person of ordinary skill in the art at the time of invention would have certainly appreciated that steps described as being performed by a computer system or a component of a computer system are performed automatically and that Applicant's invention encompassed such automatic performance of those steps.

Additionally, where a human interaction is involved in performing operations associated with system 10, Applicant has explicitly stated so in the Specification. For example, the Specification states, "Each *customer and warranty provider using* system 10 may have access to one or more customer computers 20 or warranty provider computers 40, respectively, at one or more locations." (Page 6, Lines 7-9; emphasis added) As another example, the Specification states, "In one aspect of operation, *a customer uses customer computer 20* to communicate information to warranty transaction system 30 regarding an item or items that the customer wants to have covered under a warranty and the desired characteristics of the warranty." (Page 7, Lines 23-26; emphasis added) In other cases, where a human need not be involved and one or more components of system 10 (e.g., warranty transaction system 30) are explicitly recited, it is implicit, and one of ordinary skill in the art would appreciate, that the functionality is performed by the components of the system without human interaction (i.e. automatically). If Applicant had intended for human interaction to be required in the execution of such functionality, Applicant would have explicitly stated so, which Applicant did in certain cases as discussed above. Furthermore, in describing example advantages provided by certain embodiments of the present invention, the Specification states, "The present invention provides a customer with one or more customized warranty package options based on information provided by the customer *and based on information gathered by the system.*" (Page 3, Lines 20-23; emphasis added)

Claim 1 recites "in response to receiving the warranty request from the customer computer, automatically accessing, from one or more sources other than the warranty request, historical data for the particular item." The Specification supports the automatic functionality recited in these limitations. For example, after describing example information that may be included in the warranty request (*see, e.g.,* Page 7, Line 23 through Page 8, Line 8), the Specification states, "*Warranty transaction system 30* may also obtain information related to the item to be covered from one or more *customer-specific information databases 50* and

one or more general product information databases 52, which are coupled to network 12 or otherwise accessible by warranty transaction system 30.” (Page 8, Lines 9-12; emphasis added) Furthermore, the Specification states, “The information in databases 50 and 52 may be retrieved *by warranty transaction system 30 after a customer has communicated a warranty request to warranty transaction system 30*, or the information may be stored and compiled in warranty transaction system 30 (for example, in a database associated with computer 14) before the warranty request is received. (Page 8, Line 29 through Page 9, Line 4; emphasis added)

Claim 1 recites “in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules each associating historical data for generic items with one or more warranty coverage characteristics for generic items.” The Specification supports the automatic functionality recited in these limitations. For example, the Specification states:

Information obtained from customer computer 20 and databases 50 and 52 is communicated to warranty generation engine 34. *Warranty generation engine 34 generates one or more warranty packages* consistent with the warranty requested by the customer. Each warranty package may include one or more warranties that cover all or part of the item included in the warranty request. Warranty generation engine 34 may specifically recommend one or more of these warranty packages based on the customer input, the information obtained from databases 50 and 52, or any other appropriate information that warranty generation engine 34 may obtain or have stored. *Warranty generation engine 34 generates the warranty packages according to a set of rules stored in rules database 38.* For example, an exemplary rule may specify that if a portion of the covered item, such as a particular part an automobile, has been replaced within the last year, then a warranty package including a warranty for that part should not be generated or should be generated but not recommended. The rules in rules database 38 may be updated based on information received from one or more warranty providers, from the customer, from databases 50 and 52, or from any other appropriate source.

(Page 9, Lines 6-21; emphasis added)

Claim 1 recites “in response to automatically generating the plurality of request-specific warranty packages for the particular item, automatically communicating the plurality of request-specific warranty packages automatically generated for the particular item to the customer computer.” The Specification supports the automatic functionality recited in these limitations. For example, the Specification states:

“Once the warranty packages have been generated, the warranty packages are communicated to the customer.” (Page 9, Lines 22-23) As another example, the Specification recites, “*Warranty generation engine 34 provides the generated warranty packages to user interface 32, which then communicates the warranty packages to customer computer 20* at step 110. This communication may be made using any appropriate method of communication over network 12, including sending an e-mail or communicating one or more web pages.”

(Page 13, Lines 12-16; emphasis added)

Claim 1 recites “in response to receiving the customer selection of one of the plurality of request-specific warranty packages automatically generated for the particular item, automatically communicating the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item to one or more warranty provider computers for bidding on the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item.” The Specification supports the automatic functionality recited in these limitations. For example, the Specification states:

The customer selects one or more of the packages using user interface 32. This selection may be stored in customer information database 36. The selected warranty package and information relating to the customer (information entered by the customer or obtained from any other source, including databases 50 and 52) is then communicated to one or more warranty provider computers 40 using network 12. This communication may be in the form of an e-mail message sent to the warranty provider computers 40, web page content communicated to the warranty provider computers 40, or any other appropriate form of communication.

(Page 9, Line 23 through Page 10, Line 1) The Specification further states, “*Warranty transaction system 30* communicates the selected warranty package or packages to one or more warranty provider computers 40 at Step 114.” (Page 13, Lines 21-22; emphasis added)

**B. The Claimed “Request-Specific Warranty Packages” are Described in the Specification**

The Examiner rejects Claims 1, 11, 20, and 29 as claiming a “request-specific warranty package” that is not described in the Specification. Applicant respectfully disagrees and discusses Claim 1 as an example. Claim 1 recites “in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules each associating historical data for generic items with one or more warranty coverage characteristics for generic items.” The Specification discloses this limitation. For example, the Specification states:

Information obtained from customer computer 20 and databases 50 and 52 is communicated to warranty generation engine 34. *Warranty generation engine 34 generates one or more warranty packages consistent with the warranty requested by the customer. Each warranty package may include one or more warranties that cover all or part of the item included in the warranty request.* Warranty generation engine 34 may specifically recommend one or more of these warranty packages based on the customer input, the information obtained from databases 50 and 52, or any other appropriate information that warranty generation engine 34 may obtain or have stored. *Warranty generation engine 34 generates the warranty packages according to a set of rules stored in rules database 38. For example, an exemplary rule may specify that if a portion of the covered item, such as a particular part an automobile, has been replaced within the last year, then a warranty package including a warranty for that part should not be generated or should be generated but not recommended.* The rules in rules database 38 may be updated based on information received from one or more warranty providers, from the customer, from databases 50 and 52, or from any other appropriate source.

(Page 9, Lines 6-21; emphasis added) The Specification clearly discloses that the one or more generated warranty packages are “request-specific warranty packages.”

**C. The Claimed “Associating Historical Data for Generic Items with One or More Warranty Coverage Characteristics for Generating Items” is Described in the Specification**

The Examiner rejects Claims 1, 11, 20, and 29 as claiming “associating historical data for generic items with one or more warranty coverage characteristics for generating items”

that is not described in the Specification. Applicant respectfully disagrees and discusses Claim 1 as an example. Claim 1 recites “in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules each associating historical data for generic items with one or more warranty coverage characteristics for generic items.” The Specification discloses these limitations. For example, the Specification states, “**General product information database 52 contains information concerning one or more particular product or item types, such as the make and model of the automobile owned by the customer.**” (Page 8, Lines 22-24; emphasis added) The Specification further states, “**Warranty generation engine 34 generates the warranty packages according to a set of rules stored in rules database 38. For example, an exemplary rule may specify that if a portion of the covered item, such as a particular part an automobile, has been replaced within the last year, then a warranty package including a warranty for that part should not be generated or should be generated but not recommended.** The rules in rules database 38 may be updated based on information received from one or more warranty providers, from the customer, from databases 50 and 52, or from any other appropriate source.” (Page 9, Lines 14-21; emphasis added)

The Specification further states:

At step 106, warranty transaction system 30 may gather information from one or more general product information databases 52. **Databases 52 may include general information about the make, model, trim line, year, or any other information concerning the automobile that the customer wishes to cover, in any suitable combination. For example, warranty transaction system 30 may access a database 52 that includes information about the general reliability of the make, model, trim line, and year of the automobile or about the reliability of specific parts of the automobile. More specifically, as merely an example, warranty transaction system 30 may access a database 52 that indicates the transmission on the particular make, model, trim line, and year of the automobile has an average lifespan of one hundred thousand miles.** As with customer-specific information databases 50, general product information databases 52 may be coupled to network 12 and directly accessed by warranty transaction system 30, or the information in databases 52 may be otherwise input to warranty transaction system 30. In addition, any other appropriate databases 52 may be accessed to obtain



general product information relating to the item to be covered under the warranty.

(Page 12, Lines 6-21; emphasis added)

The Specification further states:

*Using the information provided by the customer and any information gathered from customer-specific information databases 50 or general product information databases 52, warranty generation engine 34 generates one or more warranty package options for the customer's automobile at step 108. The warranty packages are generated according to one or more rules stored in rules database 38. These rules determine the characteristics of the warranty packages that are generated. For example, and not by way of limitation, an exemplary rule may indicate that if the customer has had a specific part replaced in the automobile within the past ten thousand miles or within a certain period of time, then warranty generation engine 34 should not generate or should not recommend a warranty on that particular part. Another exemplary rule might indicate that if the car has been driven more than 50,000 miles, then a warranty on the water pump should be generated. The information on the repair history of the car and the mileage of the car used in these rules may be obtained from the customer or from databases 50 or 52. Any other appropriate rules may be used, including rules that incorporate information received from the customer and from databases 50 and 52, in order to generate a warranty package or packages that are tailored to meet the specific needs of the customer. Using these rules, warranty generation engine 34 may generate an assortment of warranty packages that cover individual parts of the customer's automobile or that cover the entire automobile.*

(Page 12, Lines 22-27; emphasis added)

For at least these reasons, Applicant respectfully submits that independent Claim 1 complies with the written description requirement of 35 U.S.C. § 112, first paragraph. Thus, Applicant respectfully requests reconsideration and allowance of independent Claim 1 and its dependent claims. For substantially similar reasons, Applicant respectfully requests reconsideration and allowance of independent Claims 11, 20, and 29 and their dependent claims.

#### IV. Applicant's Claims are Allowable over the Art Rejections

##### A. Independent Claims 1, 11, 20, and 29 are Allowable

The Examiner rejects Claims 1-6, 8-15 and 17-29 under 35 U.S.C. §103(a) as being unpatentable over Warranty Direct ("*WarrantyDirect*") in view of Lending Tree, Inc. ("*LendingTree*"), HomeGain.com ("*HomeGain*"), and CarFax.com ("*CarFax*"). Applicant respectfully disagrees.

Applicant first notes that despite the fact that an Examiner rejects certain claims as allegedly including new matter, "[t]he examiner should still consider the subject matter added to the claim in making rejections based on prior art since the new matter rejection may be overcome by applicant." M.P.E.P. § 2163.06.I. In the present application, the Examiner rejects Claims 1-6, 8-15, and 17-19 as allegedly including new matter (i.e. as failing to satisfy the written description requirement). It appears, however, that the Examiner did not consider at least certain of the amendments made to independent Claims 1, 11, 20, and 29, for example, when rejecting these claims based on the cited references in the current Office Action. (See, e.g., Office Action, Pages 3-5) For example, in responding to Applicant's arguments from the previous Response, rather than specifically addressing Applicant's arguments by pointing out where the references allegedly disclose a limitation recited in Applicant's claims, the Examiner merely stated, "[the limitation recited in Applicant's claim] is new matter which is not supported by the applicant's disclosure." (See Office Action, Pages 3-5) Applicant respectfully submits that such a response by the Examiner clearly does not comply with M.P.E.P. § 2163.06.I.<sup>2</sup> Thus, if the Examiner does not issue a Notice of Allowance, Applicant respectfully submits that it would be inappropriate for the Examiner to issue an Advisory Action in reply to this Response, without first issuing, at a minimum, a final Office Action that includes a consideration of the amendments made by Applicant in the

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<sup>2</sup> Additionally, according to 37 C.F.R. § 1.112, after a reply by Applicant to a non-final Office Action, the application will be *reconsidered and again examined*. By not considering certain of Applicant's amendments presented in the previous Response, the Examiner did not reconsider and again examine the Application, including all amendments to Applicant's claims, as required under 37 C.F.R. § 1.112. Furthermore, Applicant notes that "[w]here the applicant traverses any rejection, the examiner should, if he or she repeats the rejection, take note of the applicant's argument and *answer the substance of it*." M.P.E.P. § 707.07 (f) (emphasis added). Applicant respectfully submits that the Examiner has not answered the substance of Applicant's arguments with respect to the allowability of the amended claims over the references. Instead, the Examiner merely stated that certain amended portions recite new matter.

previous Response and an indication of where the limitations recited in those amendments are allegedly disclosed in the references.

**1. The Proposed Combination of References Fails to Disclose, Teach, or Suggest the Limitations Recited in Applicant's Claims**

Applicant objects to the proposed combination of references for reasons addressed below in Section IV.A.2; however, even if these references could properly be combined, the proposed combination would still fail to disclose, teach, or suggest various limitations recited in Applicant's claims. Applicant discusses Claim 1 as an example.

**a. The Proposed Combination Fails to Disclose, Teach, or Suggest the "Warranty Request" as Recited in Claim 1**

Nothing in any of the cited references discloses, teaches, or suggests "receiving a warranty request from a customer computer," the warranty request "*specifying a particular item* that a customer desires to cover under a warranty" and "*comprising an identification of the particular item* and desired warranty coverage characteristics of the warranty under which the particular item is to be covered," as recited in Applicant's Claim 1.

The Examiner acknowledges that *WarrantyDirect* "does not disclose *identification of a particular item*." (Office Action, Page 4) The Examiner takes Official Notice that "businesses have used Vehicle Identification Numbers (VIN), serial numbers (VIN are serial numbers of automobiles) are used to identify a particular item brought in for warranty under repairs." (Office Action, Page 4) The Examiner also asserts that *CarFax* discloses using vehicle identification numbers (VINs) to extract vehicle history. (Office Action, Page 9) Of course, Applicant does not dispute that it is known to identify a particular vehicle using its VIN, but none of these examples discloses, teaches, or suggests receiving a "*warranty request specifying a particular item* that a customer desires to cover under a warranty" and "*comprising an identification of the particular item*," as recited in Claim 1. This is particularly true in light of the fact that there is no motivation or suggestion to combine the teachings of *CarFax* with the teachings of *WarrantyDirect*, as discussed below in Section IV.B.2.

Furthermore, using a unique identifier such as a S/N or VIN “to ensure that the customer gets the repair services and the repair service provider gets compensated for the repair performed,” as the Examiner proposes, occurs after, perhaps years after, the customer has purchased a warranty package. (Office Action, Page 8) In contrast, the warranty request recited in Applicant’s Claim 1 is directed toward subsequent generation of one or more warranty packages: “receiving a warranty request from a customer computer, *the warranty request specifying a particular item* that a customer desires to cover under a warranty” and “*the warranty request comprising an identification of the particular item* and desired characteristics of the warranty *under which the particular item is to be covered.*” The specification and identification of the particular item in the warranty request of Claim 1 is subsequently used, still prior to generation of the one or more warranty packages, in “*automatically accessing, from one or more sources other than the warranty request, historical data for the particular item*” and then used in “automatically generating a plurality of warranty packages *for the particular item.*” Knowing the “particular item that a customer desires to cover under warranty” may be important in subsequently generating the one or more warranty packages. Applicant respectfully submits that it being known at the time of the invention to a person with ordinary skill in the art that a unique identifier such as a S/N or VIN can be used for identification purposes “to ensure that the product brought in for service is the actual product for which the customer purchased the warranty service,” even if true, has no bearing on the patentability of Applicant’s claimed invention. Furthermore, neither *LendingTree*, *HomeGain*, nor any other cited reference makes up for these acknowledged deficiencies of *WarrantyDirect*.

For the remainder of Section IV.A, Applicant will assume, for the sake of argument only, that *WarrantyDirect* could be modified to include the teachings of *CarFax* and that this would be sufficient to teach the warranty request recited in Claim 1 (i.e. a warranty request received from a customer computer *specifying a particular item* that a customer desires to cover under a warranty, and *comprising an identification of the particular item*). However, the proposed combination of references would still fail to teach various other limitations recited in Claim 1.

**b. The Proposed Combination Fails to Disclose, Teach, or Suggest “Automatically Accessing” Historical Data for the Particular Item from Other Sources as Recited in Claim 1**

*WarrantyDirect* fails to disclose, teach, or suggest “in response to receiving the warranty request from the customer computer, *automatically accessing*, from one or more sources other than the warranty request, historical data for the particular item.” The Examiner acknowledges that *WarrantyDirect* fails to disclose “accessing information from other sources for the particular item.” (See Office Action, Page 9) However, the Examiner argues that *HomeGain* and *CarFax* do disclose this limitation. Applicant respectfully disagrees. First, at best, *HomeGain* merely discloses allowing the user to manually select various links to tools such as a home valuation estimator and other calculator tools. (See *HomeGain*, Page 19) Second, at best, *CarFax* merely discloses that a user can manually enter a VIN and *CarFax* returns information about the vehicle associated with the VIN. (See *CarFax*, Page 10) The information may include whether the vehicle has been subject to a manufacturer buyback or the vehicle’s title history. (See *CarFax*, Pages 10 and 12-13) Neither *HomeGain* nor *CarFax* discloses “in response to receiving the warranty request from the customer computer, *automatically accessing*, from one or more sources other than the warranty request, historical data for the particular item,” as recited in Claim 1. As an example, even assuming that the warranty request of *WarrantyDirect* could be modified to be for a particular item and to comprise an identification of the particular item, modifying *WarrantyDirect* with the teachings of *HomeGain* or *CarFax* would still require a user to manually access the information available through *HomeGain* or *CarFax*.

**c. The Proposed Combination Fails to Disclose, Teach, or Suggest Additional Limitations Recited in Claim 1**

Additionally, the proposed combination of references fails to disclose, teach or suggest at least the following limitations recited in Claim 1:

- in response to automatically accessing the historical data for the particular item; automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules each associating historical data for generic items with one or more warranty coverage characteristics for generic items;

- in response to automatically generating the plurality of request-specific warranty packages for the particular item, automatically communicating the plurality of request-specific warranty packages automatically generated for the particular item to the customer computer;
- receiving a customer selection of at least one of the plurality of request-specific warranty packages automatically generated for the particular item from the customer computer; and
- in response to receiving the customer selection of one of the plurality of request-specific warranty packages automatically generated for the particular item, automatically communicating the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item to one or more warranty provider computers for bidding on the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item.

i. **Automatically Generating a Plurality of Request-Specific Warranty Packages for the Particular Item**

*WarrantyDirect* discloses a warranty request that includes a generic identification of a type of car (e.g., generically, a make and model of car), a mileage, customer information (name, email address, and phone number), and a selection of a single predefined warranty package that the customer desires. *WarrantyDirect* then uses that information to determine a quote for that single predefined warranty package for a car of that generic type and having that mileage. This clearly does not disclose, teach, or suggest “*in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages* for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request” as recited in Claim 1. The user in *WarrantyDirect* merely specifies a single *predefined* warranty package that the user desires. The system in *WarrantyDirect* merely returns *a quote* for the single *predefined* warranty package selected by the customer in the warranty request. The system in *WarrantyDirect* does not automatically *generate* any warranty packages in response to the warranty request. Thus, the system in *WarrantyDirect* does not automatically generate “*a plurality of warranty packages* for the particular item,” let alone “*in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages* for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request” as recited in Claim 1.

The Examiner states that “CarFax discloses other businesses us[ing] CarFax services to make better business decisions” and that “CarFax discloses providing a link to WarrantyDirect.” (Office Action, Page 9) Even if true, and even if *WarrantyDirect* could properly be modified to incorporate the teachings of *CarFax*, the proposed combination would still fail to disclose, teach, or suggest “*in response to automatically accessing the historical data for the particular item, automatically generating a plurality of warranty packages for the particular item, each specific to and consistent with the warranty request,*” as recited in Claim 1. At best, a user associated with *WarrantyDirect* could manually enter a VIN to access the limited information provided by *CarFax*, and *WarrantyDirect* could then use that information to determine the quote for the single, predefined, customer-selected warranty package.

ii. “Rules”

As another example, the proposed combination fails to disclose, teach, or suggest “automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules *each associating historical data for generic items [which was accessed in response to the warrant request] with one or more warranty coverage characteristics for generic items.*” *WarrantyDirect* merely discloses returning *a quote* for the single, predefined, customer-selected warranty package. There is no disclosure of how, based on the various screenshots of *WarrantyDirect* to which the Examiner refers, the quote is generated. Forced to speculate as we are, it is likely that a quote for the single, predefined, customer-selected warranty package is generated based solely on the type of car and the mileage, the only useful information provided in the warranty request of *WarrantyDirect*. Thus, a warranty request for a Ford Explorer may be quoted a particular price for the single, predefined, customer-selected warranty package, the price varying depending on the mileage specified in the warranty request. This in no way discloses, teaches, or suggests “automatically generating a plurality of warranty packages for the particular item, each specific to and comprising warranty coverage characteristics consistent with the warranty request, according to the historical data for the particular item and one or more rules *each associating historical data for generic items [which was accessed in response to the warranty request] with one or*

*more warranty coverage characteristics for generic items.*” Even modifying *WarrantyDirect* with the teachings of *CarFax* would not make up for this deficiency of *WarrantyDirect*. First, the modified system of *WarrantyDirect* would still not “automatically generat[e] a plurality of warranty packages for the particular item, each specific to and consistent with the warranty request,” as human interaction with *CarFax* would be required. Second, neither *WarrantyDirect* nor *CarFax* discloses, teaches, or suggests the “one or more rules *each associating historical data for generic items with one or more warranty coverage characteristics for generic items.*”

**iii. Communicating the Plurality of Automatically-Generated Request-Specific Warranty Packages for the Particular Item to the Customer Computer**

As another example, *WarrantyDirect* fails to disclose, teach, or suggest “in response to automatically generating the plurality of request-specific warranty packages for the particular item, *automatically communicating the plurality of request-specific warranty packages* automatically generated for the particular item to the customer computer,” as recited in Claim 1. First, at least because the proposed combination of references does not disclose “automatically generating a plurality of warranty packages,” it also necessarily fails to disclose “*automatically communicating the plurality of request-specific warranty packages.*” Second, *WarrantyDirect* merely communicates *a quote* for a single, predefined, customer-selected warranty package to the customer.

**iv. “Receiving a Customer Selection”**

As another example, *WarrantyDirect* fails to disclose, teach, or suggest “*receiving a customer selection of at least one of the plurality of request-specific warranty packages automatically generated for the particular item from the customer computer,*” as recited in Claim 1. Again, in the initial request of *WarrantyDirect*, the customer has already selected the single, predefined warranty package the customer desires. There is absolutely no need for a customer to select “at least one of the plurality of request-specific warranty packages [which were automatically-generated in response to the customer selection] automatically generated for the particular item,” as recited in Claim 1. It simply would make no sense for *WarrantyDirect* to receive a customer selection of a warranty package when the customer already selected the desired warranty package in the initial customer request. This only



highlights the above-described differences between Claim 1 and the proposed combination of references, particularly relating to *WarrantyDirect*. Furthermore, at least because the proposed combination fails to disclose, teach, or suggest “automatically communicating the plurality of request-specific warranty packages automatically generated for the particular item to the customer computer,” the proposed combination necessarily fails to disclose, teach, or suggest ***“receiving a customer selection of at least one of the plurality of request-specific warranty packages automatically generated for the particular item from the customer computer.”***

As another example, because the proposed combination of references fails to disclose, teach, or suggest at least the limitations discussed above, the proposed combination of references plainly fails to disclose, teach, or suggest that the warranty request enables ***“automated generation of a plurality of warranty packages for the particular item based on rules associating historical data with warranty coverage characteristics”*** and ***“automated communication of a customer-selected one of the plurality of automatically-generated warranty package for bidding on the customer-selected warranty packages for bidding on the customer-selected one of the plurality of automatically-generated warranty packages,”*** as recited in Claim 1.

**v. Communicating the Customer-Selected One of the Plurality of Automatically-Generated Request-Specific Warranty Packages for the Particular Item for Bidding**

As another example, at least because the proposed combination of references fails to disclose, teach, or suggest “receiving a customer selection of at least one of the plurality of request-specific warranty packages automatically generated for the particular item from the customer computer,” the proposed combination necessarily fails to disclose, teach, or suggest ***“in response to receiving the customer selection of one of the plurality of request-specific warranty packages automatically generated for the particular item, automatically communicating the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item to one or more warranty provider computers for bidding on the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item,”*** as recited in Claim 1.

The Examiner acknowledges that *WarrantyDirect* “does not disclose communicating a warranty package to one or more warranty service providers.” (Office Action, Page 8) However, the Examiner argues that *WarrantyDirect* discloses that at the time when repair services are required, a repair service professional contacts Warranty Direct for payment. (See Office Action, Page 8) First, Applicant respectfully submits that the Examiner has misstated Claim 1, which recites communicating the customer-selected one of the plurality of request-specific warranty packages automatically generated for the particular item “to one or more warranty provider computers” rather than “to one or more warranty service providers.” A warranty service provider (to which the Examiner refers) typically includes a repair shop, service department, or analogous entity, whereas a warranty provider (to which Claim 1 refers) typically includes a company offering a warranty that may cover some or all of the costs of repairs or service. Although the warranty service provider and warranty provider functions may or may not be associated with the same company, they are separate and distinct functions. Applicant respectfully submits that the teaching offered by the Examiner is irrelevant to the patentability of Claim 1 because, as explained in Applicant’s two previous Responses, the need for repair services occurs only after, perhaps years after, a warranty package has been selected and purchased. The Examiner still does not acknowledge this distinction. (See Office Action, Pages 7-8.)

Furthermore, the Examiner acknowledges that *WarrantyDirect* does not disclose generating or communicating bids. (Office Action, Page 13) However, the Examiner asserts that “*LendingTree* discloses that within two business days after the customer has provided the information, a plurality of lenders will respond – all competing for the customer’s business.” (Office Action, Page 13) The Examiner also argues that *HomeGain* teaches these limitations. Applicant respectfully submits that modifying *WarrantyDirect* to include the teachings of *LendingTree* and *HomeGain* would still fail to disclose, teach, or suggest certain limitations of Claim 1.

If *WarrantyDirect* is modified to include a bidding step, the warranty request of *WarrantyDirect* would have to be submitted for bidding either when the original request for a warranty package quote is submitted or after the warranty package quote for the single, predefined, customer-selected warranty package has been communicated to the customer. In

the first case, if *WarrantyDirect* is modified such that the warranty request is submitted for bidding when the original request for a warranty package quote is submitted, then there is no generation of warranty packages and subsequent customer selection because the customer would necessarily have already selected the warranty package to be sent for bidding. In the second case, it would be nonsensical to modify *WarrantyDirect* such that the warranty request is submitted for bidding after the customer has already received a quote from *WarrantyDirect*. Thus, it is evident that any attempt to modify *WarrantyDirect* to include a bidding step only further highlights the distinctions between Claim 1 and the proposed combination of references.

## **2. At Least Certain of the Proposed Combinations Cannot be Made**

The rejection of Applicant's claims is also improper because, at least with regard to certain references, the Examiner has not shown the required teaching, suggestion, or motivation in the references or in the knowledge generally available to those of ordinary skill in the art at the time of the invention to combine or modify the references. The rejected claims are allowable for at least this reason.

The question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed above, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention.

The M.P.E.P. sets forth the strict legal standard for establishing a *prima facie* case of obviousness based on modification or combination of prior art references. "To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art

reference (or references where combined) must teach or suggest all the claim limitations.” M.P.E.P. § 2142, 2143. The teaching, suggestion, or motivation for the modification or combination and the reasonable expectation of success must both be found in the prior art and cannot be based on an applicant’s disclosure. *See Id.* (citations omitted). “Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art” at the time of the invention. M.P.E.P. § 2143.01. Even the fact that references *can* be modified or combined does not render the resultant modification or combination obvious unless the prior art teaches or suggests the desirability of the modification or combination. *See Id.* (citations omitted). Moreover, “To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. All words in a claim must be considered in judging the patentability of that claim against the prior art.” M.P.E.P. § 2143.03 (citations omitted).

The governing Federal Circuit case law makes this strict legal standard even more clear.<sup>3</sup> According to the Federal Circuit, “a showing of a suggestion, teaching, or motivation to combine or modify prior art references is an essential component of an obviousness holding.” *In re Sang-Su Lee*, 277 F.3d 1338, 1343, 61 U.S.P.Q.2d 1430, 1433 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25, 56 U.S.P.Q.2d 1456, 1459 (Fed. Cir. 2000)). “Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved.” *In re Dembiczak*, 175 F.3d 994, 999, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). However, the “range of sources available . . . does not diminish the requirement for actual evidence.” *Id.* Although a prior art device “may be capable of being modified to run the way the apparatus is claimed, there must be a suggestion or motivation in the reference to do so.” *In re Mills*, 916 F.2d at 682, 16 U.S.P.Q.2d at 1432. *See also In re Rouffet*, 149 F.3d 1350, 1357, 47 U.S.P.Q.2d 1453, 1457-58 (Fed. Cir. 1998) (holding a *prima facie* case of obviousness not made where the combination of the references taught every element of the claimed invention

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<sup>3</sup> Note M.P.E.P. 2145 X.C. (“The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.”).

but did not provide a motivation to combine); *In Re Jones*, 958 F.2d 347, 351, 21 U.S.P.Q.2d 1941, 1944 (Fed. Cir. 1992) (“Conspicuously missing from this record is any evidence, other than the PTO’s speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at” the claimed invention.). Even a determination that it would have been obvious to one of ordinary skill in the art at the time of the invention to try the proposed modification or combination is not sufficient to establish a *prima facie* case of obviousness. *See In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1599 (Fed. Cir. 1988).

In addition, the M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant’s disclosure as a blueprint to reconstruct the claimed invention. For example, the M.P.E.P. states, “The tendency to resort to ‘hindsight’ based upon applicant’s disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art.” M.P.E.P. § 2142. The governing Federal Circuit cases are equally clear. “A critical step in analyzing the patentability of claims pursuant to [35 U.S.C. § 103] is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. . . . Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one ‘to fall victim to the insidious effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher.’” *In re Kotzab*, 217 F.3d 1365, 1369, 55 U.S.P.Q.2d 1313, 1316 (Fed. Cir. 2000) (citations omitted). In *In re Kotzab*, the Federal Circuit noted that to prevent the use of hindsight based on the invention to defeat patentability of the invention, the court requires the examiner to show a motivation in the prior art to combine the references that allegedly create the case of obviousness. *See id.* *See also, e.g., Grain Processing Corp. v. American Maize-Products*, 840 F.2d 902, 907, 5 U.S.P.Q.2d 1788, 1792 (Fed. Cir. 1988). Similarly, in *In re Dembiczak*, the Federal Circuit reversed a finding of obviousness by the Board, explaining that the required evidence of such a teaching, suggestion, or motivation is essential to avoid impermissible hindsight reconstruction of an applicant’s invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999, 50 U.S.P.Q.2d at 1617 (emphasis added) (citations omitted).

As an example, with regard to the proposed *WarrantyDirect-CarFax* combination, the Examiner indicates that “CarFax discloses other businesses us[ing] CarFax services to make better business decisions” and that “CarFax discloses providing a link to WarrantyDirect.” (Office Action, Page 9) Thus, the Examiner concludes that “it would have been obvious to one of ordinary skill in the art at the invention was made that businesses can access information from other sources to get current information for making better business decisions.” (Office Action, Page 9) First, with regard to other businesses using *CarFax*, *CarFax* states, “Dealerships, financial institutions, insurance companies and credit unions nationwide rely on Carfax to make better business decisions.” (*CarFax*, Page 22) Nowhere does *CarFax* even mention the use of its services in making warranty decisions. Additionally, the link to warrantydirect.com in *CarFax* is listed under an “Other Auto Sites” heading. *CarFax* mentions nothing about a warranty provider using the *CarFax* service to determine whether to provide a warranty and at what price. This is just a helpful list of links for car owners or persons seeking to purchase a car. Furthermore, *WarrantyDirect* includes no disclosure, teaching, or suggestion to access outside sources (e.g., carfax.com) to obtain historical information about a car. Thus, Applicant respectfully submits that the Examiner's proposed combination of *WarrantyDirect* with *CarFax* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Applicant's claims and is unsupported by the teachings of *WarrantyDirect* and *CarFax*.

As another example, with regard to the proposed *WarrantyDirect-HomeGain* combination, the Examiner states that “HomeGain discloses a system and method, which allows a user to request bids from a plurality of service estate agents (service providers) to sell the property.” According to the Examiner, using *HomeGain*, the customer can create a

seller profile and the completed seller profile (requirements) are sent to real estate agents (service providers) for their review. (Office Action, Page 8) Thus, the Examiner concludes that, "it would have been obvious to a person with ordinary skill in the art to communicate requirements to one or more providers to provide information to their service providers and receive the competitive bids for their users." (Office Action, Page 8) Again, Applicant respectfully submits that the Examiner's proposed combination of *WarrantyDirect* with *HomeGain* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Applicant's claims and is unsupported by the teachings of *WarrantyDirect* and *HomeGain*. The mere fact that the teachings of one reference may improve the teachings of another reference is insufficient unless there is also a teaching, suggestion, or motivation to combine the references. *HomeGain* mentions nothing about bidding in a warranty-quoting context and *WarrantyDirect* is clearly directed to generating a quote for a warranty request, not distributing the warranty request for bids.

As another example, with regard to the proposed *WarrantyDirect-LendingTree* combination, the Examiner indicates that it would have been obvious to combine *WarrantyDirect* with *LendingTree* for similar reasons discussed above with reference to *HomeGain*. Again, Applicant respectfully submits that the Examiner's proposed combination of *WarrantyDirect* with *LendingTree* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Applicant's claims and is unsupported by the teachings of *WarrantyDirect* and *LendingTree*. The mere fact that the teachings of one reference may improve the teachings of another reference is insufficient unless there is also a teaching, suggestion, or motivation to combine the references. *LendingTree* mentions nothing about bidding in a warranty-quoting context and *WarrantyDirect* is clearly directed to generating a quote for a warranty request, not distributing the warranty request for bids.

Applicant presented substantially similar arguments in the previous Response. In responding to the arguments presented in the previous Response, the Examiner asserts, "WarrantyDirect discloses providing users access to system and method for getting extended warranty (product) over the internet, whereas LendingTree discloses providing users access to system and method for getting loans (product) over the internet, and HomeGain discloses providing users access to system and method for getting real estate agent's services (product

over the internet. All these references disclose system and method of marketing products over the internet.” (Office Action, Pages 3-4) Even taking the Examiner’s statements as true, the Examiner still has not identified any portion of *WarrantyDirect*, *LendingTree*, or *HomeGain* as allegedly teaching, suggesting, or motivating one having ordinary skill in the art at the time of invention to combine or modify these references. Simply pointing out that all the references are related to a similar broad topic (i.e. marketing of products over the Internet) falls well short of the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness.

Accordingly, since the prior art fails to provide the required teaching, suggestion, or motivation to combine *WarrantyDirect*, *LendingTree*, *HomeGain*, and *CarFax* in the manner the Examiner proposes, Applicant respectfully submits that the Examiner’s conclusions set forth in the Office Action fall well short of the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness. Applicant respectfully submits that the rejection must therefore be withdrawn.

### 3. Conclusion

For at least the reasons given above, *WarrantyDirect* fails to disclose, teach, or suggest the limitations specifically recited in Applicant’s independent Claim 1, whether *WarrantyDirect* is considered alone, in combination with *CarFax*, *LendingTree*, and *HomeGain*, or in combination with knowledge generally available to those of ordinary skill in the art at the time of the invention. Accordingly, Applicant respectfully requests reconsideration and allowance of independent Claim 1 and its dependent claims.

For at least the reasons discussed above with reference to independent Claim 1, *WarrantyDirect* also fails to disclose, teach, or suggest the limitations specifically recited in Applicant’s independent Claims 11, 20, and 29, whether *WarrantyDirect* is considered alone, in combination with *CarFax*, *LendingTree*, and *HomeGain*, or in combination with knowledge generally available to those of ordinary skill in the art at the time of the invention. Accordingly, Applicant respectfully requests reconsideration and allowance of independent Claims 11, 20, and 29, together with their dependent claims.



**B. Dependent Claims 2-6, 8-10, 12-15, 17-19, and 21-28 are allowable**

Dependent Claims 2-6 and 8-10 (which depend from independent Claim 1), Claims 12-15 and 17-19 (which depend from independent Claim 11), and Claims 22-28 (which depend from independent Claim 21) are allowable at a minimum because of their dependency on independent Claims 1, 11, and 21, which Applicant has shown above to be clearly allowable. In addition, dependent Claims 2-6, 8-10, 12-15, 17-19, and 21-28 recite further patentable distinctions over the prior art of record. To avoid burdening the record and in view of the clear allowability of independent Claims 1, 11, and 21, Applicant does not specifically discuss in this Response the further patentable distinctions recited in dependent Claims 2-6, 8-10, 12-15, 17-19, and 21-28. However, Applicant reserves the right to discuss these distinctions on Appeal, if appropriate. Applicant respectfully requests reconsideration and allowance of dependent Claims 2-6, 8-10, 12-15, 17-19, and 21-28.

**Conclusion**

Applicant has made an earnest attempt to place this case in condition for allowance. For at least the foregoing reasons, Applicant respectfully requests full allowance of all pending claims.

If the Examiner believes a telephone conference would advance prosecution of this Application in any manner, the Examiner is invited to contact Christopher W. Kennerly, Attorney for Applicant, at the Examiner's convenience at (214) 953-6812.

Applicant believes no fees are due. If this is not correct, the Commissioner is hereby authorized to charge any deficiency or credit any overpayment to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

Respectfully submitted,

BAKER BOTTS L.L.P.  
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